NEW YORK STATE OF OPPORTUNITY.

Atlantic Yards Community Development Corporation

A Subsidiary of Empire State Development

ATLANTIC YARDS COMMUNITY DEVELOPMENT CORPORATION
at the New York City Offices of
Empire State Development
633 Third Avenue – 37th Floor Conference Room
New York, New York 10017

Meeting of the Directors

Friday
March 15, 2019 at 1:00 pm

PROPOSED AGENDA

CORPORATE ACTION

1. Approval of the Minutes of the March 27, 2018 Directors' Meeting

2. AYCDC FY 2019-20 Operating Budget Proposal – Approval of the Corporation's Operating Budget for the Fiscal Year 2019-20 (April 1, 2019 – March 31, 2020)

FOR INFORMATION

3. President's Report – Corporate Update (Oral Report)

4. Public Comments

Item 1

Atlantic Yards Community Development Corporation
Meeting of the Directors
Empire State Development
37th Floor Conference Room
633 Third Avenue
New York, NY 10017

March 27, 2018

MINUTES

In Attendance	
Directors:	Howard Zemsky – Chair Julene Beckford Daniel Kummer Tamara McCaw Cy Richardson
AYCDC Staff:	Marion Philips, III – President Tobi Jaiyesimi – AYCDC Director Debbie Royce – Corporate Secretary
ESD Staff:	Maria Cassidy – Deputy General Counsel Elaine A. Kloss – Chief Financial Officer Greg Lynch – Senior Inspector, Atlantic Yards Kathleen Mize – Deputy Chief Financial Officer and Controller
Also Present:	Sarah Berlenbach – Brooklyn Sports & Entertainment Ashley Cotton – Greenland Forest City Partners Scott Solish – Greenland Forest City Partners Members of the Public Members of the Press

Before the meeting was officially called to order, Marion Phillips started with parts of the President's Report which was being presented as an informational item only and did not require the Directors to take any actions or votes.

Mr. Phillips gave an overview of the topics discussed during the January 17, 2018 meeting of the Directors. He advised that there were no new updates on the Joint Venture restructuring from a 70-30 to 95-5 split. He further advised that the sections of Dean Street where the 16 ft. fence was located are expected to be repaved and the Jersey Barriers removed shortly and stated the work had been delayed due to inclement weather.

Mr. Phillips then asked Tobi Jaiyesimi to provide the Community Relations updates. Ms. Jaiyesimi spoke about the January 23rd and March 6th Quality of Life meetings. She noted the highlights of the meeting discussions which included the Joint Venture restructuring; changes to the Block 129 construction fence; and the Pacific Park Open Space Conservancy. She also spoke about the Neighborhood Support Team ("NST") which is a program facilitated by the Mayor's Office.

Having a quorum present, the meeting of the Atlantic Yards Community Development Corporation ("AYCDC") was officially called to order at 3:20 p.m. by Chairman Zemsky. The Directors were reminded that the meeting was being webcast and that they had received the written materials in advance of the meeting and were free to ask questions at any time. He noted that after each item was presented and comments from the Directors were received, the Public would be allowed to provide comments. He also stated that the last item on the Agenda was "Public Comments", during which the Public would be able to speak about non-Agenda related matters.

Chairman Zemsky then asked whether anyone had any potential conflict of interest with respect to any of the items on the Agenda. Hearing none, he moved on to the first order of business, the approval of the Minutes of the Directors' January 17, 2018 meeting.

Hearing no comments or edits from the Directors, upon motion duly made and seconded, the following resolution was unanimously adopted:

ATLANTIC YARDS COMMUNITY DEVELOPMENT CORPORATION – Approval of Minutes of the January 17, 2018 Meeting of the Directors of the Atlantic Yards Community Development Corporation

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RESOLVED, that the Minutes of the meeting of the Corporation held on January 17, 2018 is hereby approved and all actions taken by the Directors present at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

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The Chair then asked Ms. Jaiyesimi to continue with the Community Relations update. She continued where she had left off and spoke on a recent meeting of the NST with various City agencies, the Mayor's Office and local elected officials. She noted that there will be added focus on getting requests from community members about Agenda items and discussion topics for Quality of Life Meetings. She further noted that ESD Staff will coordinate with the Mayor's Office to ensure that the requested agencies are represented. Ms. Jaiyesimi stated she hoped that the NST will reinvigorate the interagency coordination around the Atlantic Yards Project.

Director Richardson asked about the summary of the Quality of Life Meeting and whether there were any issues not documented that were outliers. Ms. Jaiyesimi responded that the summary provided, including the meeting notes sent to Directors and posted online, covered the meeting's discussion topics. Director Richardson the asked whether the summary was in order of the time allotted to each topic to which Ms. Jaiyesimi responded that the notes are intended provide an overview of the topics discussed, not a detailed digest of the meeting.

Mr. Phillips interrupted for a moment to note for the record that today's meeting was not available as a live webcast because of technical issues but was being recorded and would be uploaded to the ESD website following the meeting.

Director Richardson then asked Ms. Jaiyesimi if there were any items that received a sufficient level of criticality to the point that the Board must delve into greater detail. Ms. Jaiyesimi noted the Barclays Center Oculus which an Arena representative would speak about later in meeting. She then spoke on other issues discussed during the Quality of Life meeting such as the construction fence and repaving of Dean Street; the need for family friendly ads in the area; and policies on street vendors and ticket scalpers around the Barclays Center.

Following the Community Relations update, Ms. Jaiyesimi presented the 2018-19 AYCDC operating budget of $235,000. She explained the budget allotted $196,079 in personal expenses to cover salary and fringe benefits for two employees, and $38,924 in non-personal expenses for insurance and administrative expenses. There were no questions or comments from Directors or members of the public.

Upon motion duly made and seconded, the following resolution was unanimously adopted:

ATLANTIC YARDS COMMUNITY DEVELOPMENT CORPORATION – AYCDC FY 2018-19 Operating Budget – Approval of the Corporation's Operating Budget for FY 2018-19 (April 1, 2018 – March 31, 2019)

BE IT RESOLVED, based on the materials at this meeting and ordered filed with the Corporation (the "Materials"), the Corporation's proposed FY 2018-19 Operating Budget is hereby approved, and adopted in all respects, substantially in the form set forth in the materials and subject to the availability of funds; and be it further

RESOLVED, that the Officers of the Corporation and/or appropriate designees, and each of them hereby are, authorized and directed to take all actions and execute all documents in connection with the establishment and implementation of the Corporation's Budget; and be it further

RESOLVED, that the President of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

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Mr. Phillips then presented a request for Directors to recommend the amendment of the contract for mitigation monitoring services with HDR. He noted that the Directors had been provided with copies of two letters written by Peter Krashes on behalf of the Dean Street Block Association. He explained the letters provided recommendations for future contracts and steps that should be taken before an RFP is issued.

Mr. Philips reviewed some of the letters' recommendations, and how the issues identified were currently being addressed. He explained that the scope of work for the Environmental Monitor is defined by the Memorandum of Environmental Commitments ("MEC"), which is a

Project document negotiated and agreed upon with the Developer. When a new RFP for an environmental monitoring is issued, the scope of work will remain as it is defined in the MEC.

With regards to the request to have the Environmental Monitor engage with the community at the Project site, Mr. Phillips explained that Project related complaints and concerns can be submitted to Tobi Jaiyesimi and Drew Gabriel via email, phone, or with Greg Lynch who regularly monitors the site. The Environmental Monitor's weekly announced and unannounced site visits are documented in reports sent to ESD and compiled as an appendix to the Environmental Monitor's quarterly reports made available to the Directors. He then explained the Environmental Monitor's visits and the coordination that takes place with the On-Site Environmental Monitor ("OEM"), ESD staff, and the Developer's team.

Director Kummer asked for an example of how the structure in place helps to defuse tension or achieve consensus on any element of the Project. Ms. Jaiyesimi discussed as an example how the Developer had responded to the recent complaints about rodents at the B15 site. She spoke of Greg Lynch's observations, the Project's Rodent Control Program and the Environmental Monitor's observations. Mr. Phillips added that there are also weekly conference calls with Project consultants and staff to anticipate and address issues at the site.

Mr. Phillips then presented the request for Directors to recommend the extension of the Corporation's Environmental Monitoring Contract with HDR. He stated the amendment extends

the contract for one-year with an option to renew for an additional one-year, at a maximum cost of $500,000 per year.

Director Kummer asked about the difference in the contract terms presented last year and this year. Mr. Phillips clarified that there was no difference in the terms presented, but last year the Directors voted to only amend the contract for one year until details of when vertical construction would resume was available. He explained that staff had been in communication with the Developer about the timeline for construction activity and it is in the Corporation's best interest to have an additional year option in the contract. Ms. Jaiyesimi added that the Directors were updated on this during the October and January Directors' meetings.

Director Kummer noted that the one-year option provided flexibility given the fluctuating construction timeline. Mr. Phillips and Ms. Jaiyesimi agreed, adding that the Directors will be informed should the one-year option be exercised.

Director Richardson asked whether the request presented to the Directors was consistent with the overall goals of the correspondence sent to the Board about ensuring transparent oversight, and that the compliance infrastructure keeps pace with the rate of construction. Mr. Phillips noted that the contract requests before the Directors were meeting the previously stated goals. He spoke about the process of delivering to the Directors regular updates on Quality of Life Meetings, and copies of monthly and quarterly reports from Project consultants.

Hearing no further questions or comments from Directors and with no comments from the public, upon motion duly made and seconded, the following resolution was adopted:

ATLANTIC YARDS COMMUNITY DEVELOPMENT CORPORATION – Brooklyn (Kings County) – Atlantic Yards Land Use Improvement Project and Civic Project - Recommendation that ESD Directors Authorize the Amendment of the Contract with Henningson, Durham & Richardson, Architecture and Engineering, P.C. to Continue to Provide Owner's Representative Services for Mitigation Monitoring in Connection with the Atlantic Yards Land Use Improvement and Civic Project; and Authorization to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), the Corporation hereby recommends that the ESD Directors authorize, on the terms and conditions set forth in the Materials, an amendment of ESD's contract with Henningson, Durham & Richardson, Architecture and Engineering, P.C. to continue to provide mitigation monitoring consulting services in connection with the Atlantic Yards Land Use Improvement and Civic Project; and be it further

RESOLVED, that the President is authorized and directed, in the name and on behalf of the Corporation, to take any and all such actions as may be necessary or appropriate to effectuate the foregoing resolutions, including making report to and submitting materials to the ESD Directors.

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Mr. Phillips then presented the STV contract to the Directors for recommendation. He explained that STV has served as the Corporation's Owner's Representative since 2010, monitoring construction activity and providing technical services at the site. He noted the amendment extends the contract for two-years at a maximum total cost of $1,250,000.

Director Richardson asked about STV's Minority and Women-Owned Business Enterprises goals. Ms. Jaiyesimi responded that she believes the contract goals are 20% but she will look into the request and follow-up.

Hearing no further questions or comments from Directors and with no comments from the public, upon motion duly made and seconded, the following resolution was adopted:

ATLANTIC YARDS COMMUNITY DEVELOPMENT CORPORATION – Brooklyn (Kings County) – Atlantic Yards Land Use Improvement Project and Civic Project - Recommendation that ESD Directors Authorize the Amendment of the Contract with STV Inc. to Continue to Provide Owner's Representative Technical Services for the Atlantic Yards Land Use Improvement and Civic Project; and Authorization to Take Related Actions

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RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), the Corporation hereby recommends that the ESD Directors authorize, on the terms and conditions set forth in the Materials, an amendment of the contract with STV Inc. to continue to provide owner's representative technical services in connection with Atlantic Yards Land Use Improvement and Civic Project; and be it further

RESOLVED, that the President is authorized and directed, in the name and on behalf of the Corporation, to take any and all such actions as may be necessary or appropriate to effectuate the foregoing resolutions, including making report to and submitting materials to the ESD Directors.

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Mr. Phillips then introduced Sarah Berlenbach, representing Brooklyn Sports and Entertainment to provide a report. Ms. Berlenbach noted that both the basketball and hockey seasons were ending. She added that in response to the community's request, events that are not ticketed to the public, such as graduations, will be added to the publicly distributed monthly calendar.

Ms. Berlenbach explained that there have been complaints received about the Arena's Oculus, noting that the Oculus is the light around the Barclays Center opening that is required to

be off from midnight to 6:00 am. She stated that there have been technology malfunctions causing the light to come on during the night. She advised that there were steps put in place to monitor the situation, to make sure the Oculus is manually turned off every night and there was a 24/7 hotline set up, so complaints can be phoned in if the Oculus comes on during the night. She noted there was a breakdown in communication with some staff members not being aware of the procedure that was in place. She stated the staff will be fully trained and informed of the protocol. She advised also, to address this issue, a new computer system will be ordered to replace the Oculus's outdated system. She stated she hoped to have additional updates to provide about the Oculus by the next Quality of Life meeting.

Director Richardson inquired about the content that appears on the Oculus when it malfunctions. Ms. Berlenbach explained that when it malfunctions, the Oculus displays whatever was previously advertised on the screen just before the malfunction.

Speaking on behalf of the joint venture, Greenland Forest City Partners, Ms. Cotton then gave updates on the Open Space at 550 Vanderbilt Avenue. She announced that the garage at 535 Carlton was open, and while there was an operations issue during a recent Cavaliers game at the Barclays Center, the problem was identified and resolved. She further noted the garage at 38 Sixth Avenue - "B3" is not yet open. She advised that due to recent inclement weather, the previously scheduled street and sidewalk repair work has been delayed. She also noted that it is expected the sidewalks around 461 Dean Street will be repaved and night work for paving on Dean Street and Flatbush Avenue is also expected.

Ms. Cotton announced a major milestone at the Long Island Rail Road yards was reached noting the completion of the double-slip switch, which connects the various tracks in the yard with the Atlantic Terminal station. She stated the work required nearly a hundred Long Island Rail Road employees, working 55 straight hours. She advised there were complaints about activity and buses idling on the B12 site and advised the Long Island Rail Road is not subject to the Project's environmental regulations, but there will be coordination to ensure that they are better neighbors.

Lastly, Ms. Cotton added that once the work on the West Portal has been completed, the construction team will coordinate with the Long Island Rail Road to begin work on the East Portal. She noted that while the Maintenance and Protection of Traffic drawings were not yet available, it is expected that there will be traffic changes that will include changes to the traffic pattern at the corner of Vanderbilt and Atlantic Avenues. She stated there were no new updates regarding B4.

Chairman Zemsky then asked Ms. Jaiyesimi to open the public comment period and present the list of speakers.

Speaking on behalf of Assemblymember Jo Anne Simon, Alexis Sfikas expressed concern with the scheduling of and late notice for the meeting.

Gib Veconi representing the Prospect Heights Neighborhood Development Council spoke next. He noted that the community was glad to see the construction fences on Dean Street pulled back and he hoped to see the Jersey Barriers removed and the street repaving done shortly. He highlighted the Project's May 12th anniversary date which also serves as the date by which the Developer must advise ESD whether there are any lots that can be made available for interim open space. He noted that the B12, B13 and B14 sites were potential locations for consideration. He also expressed concern with the Developer meeting the goal of building 2,250 units of affordable housing by 2025.

Mr. Phillips apologized for the short notice of this meeting and expressed his appreciation for everyone who made time on their calendars to accommodate this meeting which was re-scheduled from the one that was to have occurred on March 23rd.

Hearing no further business, the meeting was adjourned by Chairman Zemsky at 4:12 p.m.

Respectfully submitted,

Debbie Royce
Corporate Secretary

Item 2

NEW YORK STATE OF OPPORTUNITY.

Atlantic Yards Community Development Corporation

A Subsidiary of Empire State Development

FOR CONSIDERATION
March 15, 2019

TO:	The Directors
FROM:	Marion Phillips, III
SUBJECT:	Atlantic Yards Community Development Corporation FY 2019-20 Operating Budget Proposal
REQUEST FOR:	Approval of the Corporation's Operating Budget for the Fiscal Year ("FY") 2019-20 (April 1, 2019 – March 31, 2020)

I. Background

New York State Finance Law requires that prior to the commencement on April 1 of each new fiscal year, the Directors of Atlantic Yards Community Development Corporation ("AYCDC" or the "Corporation") adopt an annual operating budget. Attached for your review and approval is the proposed AYCDC operating budget (the "Operating Budget") for FY 2019-20 (April 1, 2019 – March 31, 2020).

II. AYCDC FY 2019-20 Operating Budget Summary

The Operating Budget proposes a total of $203,997 in personal services (salaries and fringe benefits for two employees) and a total of $46,003 in non-personal services (primarily insurance and occupancy expenses). The total of all budgeted personal and non-personal expenses for FY 2019-20 is $250,000. The Corporation's FY 2019-20 operating budget is expected to be funded in its entirety from an imprest account funded by project developers and maintained at and by Empire State Development.

III. Environmental Review

Approval of the Corporation's Operating Budget for FY 2019-20 constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with this request.

IV. Recommendation

Based upon the foregoing, the Directors are requested to ratify and approve the Corporation's proposed FY 2019-20 Operating Budget in the amount of $250,000.

V. Attachments

Resolution
AYCDC – FY 2019-20 Operating Budget

March 15, 2019

ATLANTIC YARDS COMMUNITY DEVELOPMENT CORPORATION – AYCDC FY 2019-20 Operating Budget – Approval of the Corporation's Operating Budget for FY 2019-20 (April 1, 2019 – March 31, 2020)

BE IT RESOLVED, based on the materials presented at this meeting and ordered filed with the Corporation (the "Materials"), the Corporation's proposed FY 2019-20 Operating Budget is hereby approved, and adopted in all respects, substantially in the form set forth in the materials and subject to the availability of funds; and be it further

RESOLVED, that the Officers of the Corporation and/or appropriate designees, and each of them hereby are, authorized and directed to take all actions and execute all documents in connection with the establishment and implementation of the Corporation's Budget; and be it further

RESOLVED, that the President of the Corporation or his designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

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Empire State Development
Atlantic Yards Comm Dev. Corp.
Operating Budget Plan FY 2019-20

	Budget Plan FY 2018-19	Budget Plan FY 2019-20
PERSONAL SERVICES (PS)		
Salaries	142,084	147,824
Fringe Benefits	53,992	56,173
TOTAL PERSONAL SERVICES	**196,076**	**203,997**
HEADCOUNT	2	2
NON-PERSONAL SERVICES (PS)		
Professional Fees		
Legal / Accounting Fees	0	0
Consultant Fees	0	0
Total Professional Fees	**0**	**0**
Other Non-Personal Services		
Employee Travel & Meals	0	0
On-line Services/ Due & Subscriptions	0	0
Office Occupancy Expenses	11,097	11,750
Insurance	23,570	23,570
Repairs/ Maint /Prop Mgmt/ Outside Serv.	4,257	10,683
Telephone/Fax/Internet	0	0
Office Supplies / Printing / Advertising	0	0
Computers/Software/Equipment	0	0
Total Other Non Personal Services	**38,924**	**46,003**
TOTAL NON-PERSONAL SERVICES (NPS)	**38,924**	**46,003**
TOTAL PS & NPS	**235,000**	**250,000**